

Approved For Release 2003/08/19 : CIA-RDP85T00353R000100160004-5

CENTRAL INTELLIGENCE AGENCY

Directorate of Intelligence

4 April 1975

INTELLIGENCE MEMORANDUM

The Situation in Indochina

(As of 1600 EST)

No. 2

SOUTH VIETNAM

New Cabinet in Saigon

1. In a 70-minute public address, President Thieu today announced that he had accepted the resignation of Prime Minister Khiem and his entire cabinet and had appointed Lower House leader Nguyen Ba Can to form a new government. Thieu did not provide any details on who is to be in the new cabinet, although earlier he had signed an order appointing Brigadier General Phan Hoa Hiep as the new information minister. Hiep previously has served as head of the government's delegation to the Two Party Joint Military Commission in Saigon established under the ceasefire agreement.

2. Thieu's address blamed recent government setbacks on a variety of causes--the lack of US political and economic support, the undisciplined actions of military commanders, panicky civilians, and Viet Cong infiltrators among the refugees. He maintained that he had not made any secret deal with the Communists and to push home this point, claimed that he would not agree to a coalition government. He did say, however, that his new government would be willing to resume discussions in Paris as called for in the cease-fire agreement.

DOS review(s) completed.

3. Thieu appealed to the people to rally behind the government and maintained that he would soon be meting stiff punishment for those army commanders who had abandoned their posts. He warned that additional Communist attacks could be expected soon and that the government must be prepared to defend its remaining territory.

4. Thieu's speech did not have the ring of a man who intends to resign his office. He was, moreover, less than subtle in distributing blame for the recent military debacle, faulting everyone but himself. He was especially critical of the US, charging that his original decision to abandon the highlands was forced on him by the loss of US support.

5. Thieu's speech comes in the wake of additional arrests this morning of individuals charged with coup plotting. The only person among the nine or 10 people arrested of any prominence was Nguyen Van Ngan, Thieu's former political adviser and organizer. Ngan is believed to have been associated with efforts by Senate president Tran Van Lam and General Nguyen Cao Ky to force Thieu from office. The arrests were quickly announced over Saigon radio probably as a warning to others who might be entertaining similar ideas.

#### North Vietnamese Military Moves

6. The North Vietnamese are rapidly deploying major command and combat units to take advantage of the new situation in the South.

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Action in the Delta

10. The level of Communist military action continues to rise in the delta provinces. For the first time since 1972, the communists fired four rockets into Can Tho City. Sharp fighting erupted in Vinh Long Province early on April 4, and communist units have penetrated the defenses of Minh Duc District town. Communist sappers also destroyed a 200-foot bridge, thereby closing the road to nearby Vinh Binh Province. A 200-round mortar barrage preceded the attack and caused heavy civilian casualties in the market next to the bridge. The Communists have also cut the road northeast of the Kien Giang Province capital of Rach Gia.

Mounting Fear for Can Tho City

11. MR-4 officials are becoming increasingly concerned about the communist threat to Can Tho City. Commanders are now less confident that their forces will be able to contain strong communist attacks because they suspect that morale may be unsteady and their forces could fall apart under heavy communist pressure. They fear that if any one of their seven regular battalions facing the North Vietnamese 4th Division should break, panic will set in and the entire city defense could collapse within hours.

12. Because of this concern, the regional commander is taking steps to build the confidence of Can Tho's defenders. He is deploying his army units close to the territorial forces to strengthen the joint defense of the city, and he

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is trying to instill the conviction that MR-4 will be defended well and successfully. On April 4, a regimental commander was relieved for lack of aggressiveness.

Moc Hoa City Threatened

13. In addition to the current threats to Can Tho and My Tho cities, regional commanders are now anticipating a major attack against Moc Hoa, the capital of Kien Tuong Province. Three regiments of the North Vietnamese 5th Division may be in place to attack the city. Government officials were expecting an attack on the night of April 3, but apparently it was delayed because of supply problems.

14. Elements of the South Vietnamese 9th Division, supported by armor, are defending Moc Hoa. Of the 60 air strikes scheduled for April 4, the regional command has directed 30 to the 9th Division. This is a marked departure from the mid-March edict that air support would not be flown where the danger from SA-7 missiles is great.

15. Regional officials feel there is good reason to believe that the government forces defending Moc Hoa will hold, but they quickly point out that, if they do not, the 9th Division could become ineffective as a fighting unit. A defeat of this division could seriously undermine the confidence of other government units in the delta.

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CAMBODIA

The Tactical Situation

1. Government units on April 4 (Phnom Penh time) abandoned a village four miles northwest of Pochentong Airport giving the Communists a second position within easy rocket and artillery range of the airport.

2. Government units last night repulsed fresh insurgent attacks near the dike five miles north of the airport. Sporadic but inconclusive fighting continued on other battlefronts around the capital.

3. A Khmer air force pilot yesterday spotted about 1,000 Communist troops near Route 5 some 10 miles north of Phnom Penh. Only Six T-28s were available to strike at this troop concentration. In addition to the two tactical aircraft destroyed by rocket fire against Pochentong yesterday, four others were put out of operation by shrapnel damage. Some 20 rockets hit near the airfield this morning, but no further damage was reported.

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Political Developments

5. Ambassador Dean called on acting president Saukham Koy today and found him deeply concerned about recent developments in the northwestern provincial capital of Battambang--Cambodia's second largest city. Communist forces have been closing in on Battambang for the past few weeks and Koy reports that students have issued a resolution calling for the surrender of the city and the return of Prince Sihanouk. If Battambang does in fact surrender, Koy fears that government forces in other areas of the country will rapidly follow suit.

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6. Koy also said that Lon Nol had delayed his departure too long and that it is impossible to reverse the current trend of events. In response to Ambassador Dean's questions about possible contingency plans, Koy said that if a "solution" is not found, remaining leaders in Phnom Penh may have to find a way to flee the country. Prime Minister Long Boret and Foreign Minister Keuky Lim are planning to return to Phnom Penh over the weekend, but their arrival will probably do little to boost sagging government morale.

Evacuation Status

7. With third-country nationals, Cambodians, and all non-essential US personnel now being evacuated, our information of the exact number of evacuees in Phnom Penh is sketchy and is likely to remain so. On April 3, the evacuation list totaled 1072 persons (Americans, third-country nationals, and Cambodians). This number by now has presumably been reduced substantially. [REDACTED]

[REDACTED] Ambassador Dean and CINCPAC have been authorized to implement the final phase of Eagle Pull at their discretion.

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